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APPLICATION NO.	FILING DATE	FIRST NAMED INVENTOR	ATTORNEY DOCKET NO.	CONFIRMATION NO.
09/702,728	11/01/2000	Evan Lawrence Bryman	05973.3037	1237
22852	7590	12/22/2004	EXAMINER	
FINNEGAN, HENDERSON, FARABOW, GARRETT & DUNNER LLP 1300 I STREET, NW WASHINGTON, DC 20005			NGUYEN, NGA B	
			ART UNIT	PAPER NUMBER
			3628	

DATE MAILED: 12/22/2004

Please find below and/or attached an Office communication concerning this application or proceeding.

<b>Office Action Summary</b>	<b>Application No.</b>	<b>Applicant(s)</b>	
	09/702,728	BRYMAN, EVAN LAWRENCE	
	<b>Examiner</b>	<b>Art Unit</b>	
	Nga B. Nguyen	3628	

-- The MAILING DATE of this communication appears on the cover sheet with the correspondence address --

#### Period for Reply

A SHORTENED STATUTORY PERIOD FOR REPLY IS SET TO EXPIRE 3 MONTH(S) FROM THE MAILING DATE OF THIS COMMUNICATION.

- Extensions of time may be available under the provisions of 37 CFR 1.136(a). In no event, however, may a reply be timely filed after SIX (6) MONTHS from the mailing date of this communication.
- If the period for reply specified above is less than thirty (30) days, a reply within the statutory minimum of thirty (30) days will be considered timely.
- If NO period for reply is specified above, the maximum statutory period will apply and will expire SIX (6) MONTHS from the mailing date of this communication.
- Failure to reply within the set or extended period for reply will, by statute, cause the application to become ABANDONED (35 U.S.C. § 133). Any reply received by the Office later than three months after the mailing date of this communication, even if timely filed, may reduce any earned patent term adjustment. See 37 CFR 1.704(b).

#### Status

- 1) Responsive to communication(s) filed on 20 August 2004.
- 2a) This action is **FINAL**.                                    2b) This action is non-final.
- 3) Since this application is in condition for allowance except for formal matters, prosecution as to the merits is closed in accordance with the practice under *Ex parte Quayle*, 1935 C.D. 11, 453 O.G. 213.

#### Disposition of Claims

- 4) Claim(s) 1-28 is/are pending in the application.
- 4a) Of the above claim(s) \_\_\_\_\_ is/are withdrawn from consideration.
- 5) Claim(s) \_\_\_\_\_ is/are allowed.
- 6) Claim(s) 1-28 is/are rejected.
- 7) Claim(s) \_\_\_\_\_ is/are objected to.
- 8) Claim(s) \_\_\_\_\_ are subject to restriction and/or election requirement.

#### Application Papers

- 9) The specification is objected to by the Examiner.
- 10) The drawing(s) filed on \_\_\_\_\_ is/are: a) accepted or b) objected to by the Examiner.  
Applicant may not request that any objection to the drawing(s) be held in abeyance. See 37 CFR 1.85(a).  
Replacement drawing sheet(s) including the correction is required if the drawing(s) is objected to. See 37 CFR 1.121(d).
- 11) The oath or declaration is objected to by the Examiner. Note the attached Office Action or form PTO-152.

#### Priority under 35 U.S.C. § 119

- 12) Acknowledgment is made of a claim for foreign priority under 35 U.S.C. § 119(a)-(d) or (f).
- a) All    b) Some \* c) None of:
1. Certified copies of the priority documents have been received.
2. Certified copies of the priority documents have been received in Application No. \_\_\_\_\_.
3. Copies of the certified copies of the priority documents have been received in this National Stage application from the International Bureau (PCT Rule 17.2(a)).

\* See the attached detailed Office action for a list of the certified copies not received.

#### Attachment(s)

- 1) Notice of References Cited (PTO-892)
- 2) Notice of Draftsperson's Patent Drawing Review (PTO-948)
- 3) Information Disclosure Statement(s) (PTO-1449 or PTO/SB/08)  
Paper No(s)/Mail Date \_\_\_\_\_.
- 4) Interview Summary (PTO-413)  
Paper No(s)/Mail Date. \_\_\_\_\_.
- 5) Notice of Informal Patent Application (PTO-152)
- 6) Other: \_\_\_\_\_.

### DETAILED ACTION

1. This Office Action is the answer to the communication filed on August 20, 2004, which paper has been placed of record in the file.
2. Claims 26-28 have been added. Claims 1-28 are pending in this application.

#### *Response to Amendment/Arguments*

3. Applicant's arguments with respect to claims 1-28 have been considered but are moot in view of the new grounds of rejection.
4. Applicant's amendment necessitated the new grounds of rejection presented in this Office action. Accordingly, **THIS ACTION IS MADE FINAL**. See MPEP § 706.07(a). Applicant is reminded of the extension of time policy as set forth in 37 CFR 1.136(a).

A shortened statutory period for reply to this final action is set to expire THREE MONTHS from the mailing date of this action. In the event a first reply is filed within TWO MONTHS of the mailing date of this final action and the advisory action is not mailed until after the end of the THREE-MONTH shortened statutory period, then the shortened statutory period will expire on the date the advisory action is mailed, and any extension fee pursuant to 37 CFR 1.136(a) will be calculated from the mailing date of the advisory action. In no event, however, will the statutory period for reply expire later than SIX MONTHS from the date of this final action.

***Claim Rejections - 35 USC § 103***

5. The following is a quotation of 35 U.S.C. 103(a) which forms the basis for all obviousness rejections set forth in this Office action:

(a) A patent may not be obtained though the invention is not identically disclosed or described as set forth in section 102 of this title, if the differences between the subject matter sought to be patented and the prior art are such that the subject matter as a whole would have been obvious at the time the invention was made to a person having ordinary skill in the art to which said subject matter pertains. Patentability shall not be negated by the manner in which the invention was made.

6. Claims 1, 8-10, 17, and 24-28 are rejected under 35 U.S.C. 103(a) as being unpatentable over Buchanan et al (hereinafter Buchanan), U.S. Patent No. 5,950,179.

Regarding to claim 1, Buchanan discloses a computer-implemented method for reducing fraud on a financial account, method comprising:

electronically identifying an account for potential fraud based an outstanding balance of the account to exceed a predetermined limit (column 6, lines 63-67; identifying an account over the credit limit);

reviewing account transactions of the identified account to determined whether fraud has been made on the account (column 4, lines 49-58 and column 5, lines 47-67; the tracking system reviews the account transactions and account status); and

restricting the identified account when determining fraud has been made on the account (column 6, lines 65-67; rejecting any transaction that makes the credit card balance over the credit limit).

Buchanan does not disclose the potential fraud based on payments made to the account that made or would make an outstanding balance of the account to exceed a predetermined limit. However, it is old and well known in the art to determine the potential fraud based on payments made to the account that made or would make an

outstanding balance of the account to exceed a predetermined limit. In ***the conventional credit card system***, when the cardholder makes a payment, the outstanding balance is calculated by subtracting the previous balance by the payment made, adding total amounts of the accumulated charges and interest. The account is determined exceed predetermined credit limit when the outstanding balance is greater than the predetermined credit limit. Because ***the outstanding balance is calculated based on the payment made***, thus if the cardholder fails to make payment or the payment is bad (e.g. bounce check or below minimum payment), the outstanding balance may increase and exceed the credit limit. This is a conventional technique to calculate the outstanding balance. Thus, the payment made reflects the outstanding balance. Therefore, determining the potential fraud based on payments made to the account that made or would make an outstanding balance of the account to exceed a predetermined limit is inherited from determining the potential fraud based on whether outstanding balance of the account to exceed a predetermined limit, because the outstanding balance is calculated based on the payment made. Buchanan discloses conventional techniques to monitor and track a credit card account in which the tracking system determines whether there have been any payments made on the credit card (column 4, lines 49-53), whether the credit card balance exceeds credit limit (column 6, lines 63-67). Therefore, it would have been obvious to one with ordinary skill in the art at the time the invention was made to modify Buchanan's to include the well known feature of determining the outstanding balance based on the payment as described above for

the purpose of reducing fraud on a credit card account thus minimizing the risk for the credit card issuer.

Regarding to claim 8, Buchanan does not disclose wherein reviewing is performed manually. However, reviewing is performed manually is well known in the art of reviewing a credit card account by a credit card company. For example, an employee working for a credit card company can retrieve an account record in the computer system and performs the reviewing. Therefore, it would have been obvious to modify Buchanan's to include the feature above for the purpose of cost saving, because the credit card company does not need to install a specific software for automatically doing the reviewing, the reviewing is performed manually by an employee.

Regarding to claim 9, Buchanan discloses wherein reviewing is performed automatically (column 5, lines 48-60, tracking is performed automatically by the computer tracking system 40).

Claim 10 is written in computer software that are parallel the limitations found in claim 1 above, therefore, is rejected by the same rationale.

Claims 17, 24, 25 are written means that are parallel the limitations found in claims 1, 8, 9 above, therefore, are rejected by the same rationale.

Regarding to claims 26-28, Buchanan does not disclose wherein reviewing account transactions includes determining how many good payments the customer has made within a predetermined time period. However, determining number of good payments the customer has made within a predetermined time period is well known in the art of tracking a credit card account by a credit card company. *In the conventional*

***credit card system***, payments made by the cardholder are recorded in the database, thus it is obvious and easy to determine number of good payments during a predetermined time period. Therefore, it would have been obvious to one with ordinary skill in the art at the time the invention was made to modify Buchanan's to include the well known feature above for the purpose tracking the payments made by the customer in order to reducing fraud on a credit card account thus minimizing the risk for the credit card issuer.

7. Claims 2-7, 11-16, and 18-23 are rejected under 35 U.S.C. 103(a) as being unpatentable over Buchanan et al (hereinafter Buchanan), U.S. Patent No. 5,950,179, in view of Gopinathan et al (hereinafter Gopinathan), U.S. Patent No. 5,819,226.

Regarding to claims 2-4, Buchanan discloses wherein identifying an account further comprises: locating an account having a bad payment (column 5, lines 5-15). Buchanan does not disclose determining whether the bad payment made an outstanding balance of the account over a predetermined limit; determining whether an outstanding payment would make the outstanding balance of the account over the predetermined limit if the payment is bad; and flagging the account for review when the bad payment made the outstanding balance of the account over the predetermined limit or the outstanding payment would make the outstanding balance of the account over the predetermined limit if it is bad. However, Gopinathan discloses flagging the account for review when the account is fraud (column 27, lines 20-35). Moreover, determining whether the bad payment or the outstanding payment made an outstanding balance of the account over a predetermined limit is well known in the art of tracking a credit card

account by a credit card company (see claim 1 above). Therefore, it would have been obvious to modify Buchanan's to include the combining idea of flagging the account for review when the account is fraud as taught by Gopinathan with the obviousness described above, for the purpose of reducing fraud on a credit card account.

Regarding to claims 5-7, Buchanan does not disclose wherein reviewing comprises: comparing the number of good payments made on the account to a good payment threshold; determining an over limit credit amount that an outstanding balance of the account has exceeded a predetermined limit a specific time; determining a total over limit credit amount by totaling each over limit credit amount during a predetermined time period; comparing the total over limit credit amount with an over limit threshold; and restricting the account when the number of good payments is less than the good payment threshold and the total over limit credit amount is greater than the over limit threshold. However, Gopinathan discloses comparing transaction's fraud score to a threshold value, if the threshold has been exceeded, the transaction blocked by the authorization system (column 28, lines 3-15). Moreover, determining number of good, bad payments, an over limit credit amount during a predetermined time period is well known in the art of tracking a credit card account by a credit card company. *In the conventional credit card system*, payments made by the cardholder and over credit amount are recorded in the database, thus it is obvious and easy to determine number of good and bad payments and an over limit credit amount during a predetermined time period. Therefore, it would have been obvious to modify Buchanan's to adopt the teaching of Gopinathan by comparing a value against a threshold value with the

obviousness described above, for the purpose of providing more accuracy in determining the credit worthiness of a credit card account holder.

Claims 11-16 are written in computer software that are parallel the limitations found in claims 2-7 above, therefore, are rejected by the same rationale.

Claims 18-23 are written means that are parallel the limitations found in claims 2-7 above, therefore, are rejected by the same rationale.

### ***Conclusion***

8. Claims 1-28 are rejected.
9. The prior arts made of record and not relied upon is considered pertinent to applicant's disclosure:

Hucal (US 5,993,817) discloses a method and a system for operating a revolving credit program utilizing a table of tiered interest rates in which one of the interest rates is applied as a finance charge to a remaining outstanding balance of an account depending upon the percentage that payments made during a billing cycle comprise of an account parameter, such as the outstanding balance, a highest balance or a beginning balance.

Weissman (US 6,032,134) discloses a data processing system and method are provided for allocating all charged transactions, accrued interest attributable to each charged transaction, and payments made by respective credit cardholders, to sub-accounts specifically designated by the cardholder.

Fleischl et al. (US 6,038,552) disclose a method and apparatus for executing a transaction using a credit card includes the steps of: maintaining a credit card account associated with the credit card, the credit card account having a credit limit and a transaction balance indicative of an aggregate of previously authorized transaction amounts in a predetermined period.

Land et al. (US 6,807,533) disclose the Account Receivables System is a web-based system and method for collecting, tracking and processing information about a client's account receivables.

10. Any inquiry concerning this communication or earlier communications from the examiner should be directed to examiner Nga B. Nguyen whose telephone number is (703) 306-2901. The examiner can normally be reached on Monday-Thursday from 9:00AM-6:00PM.

If attempts to reach the examiner by telephone are unsuccessful, the examiner's supervisor, Hyung S. Sough can be reached on (703) 308-0505.

Any inquiry of a general nature or relating to the status of this application or proceeding should be directed to the Group receptionist whose telephone number is (703) 306-1113.

11. Any response to this action should be mailed to:

Commissioner of Patents and Trademarks  
C/o Technology Center 3600  
Washington, DC 20231

Or faxed to:

(703) 872-9326 (for formal communication intended for entry),

or

(703) 308-3691 (for informal or draft communication, please label  
"PROPOSED" or "DRAFT").

Hand-delivered responses should be brought to Crystal Park 5, 2451 Crystal  
Drive, Arlington, VA, Seventh Floor (Receptionist).

Nga B. Nguyen

*Nga Nguyen*  
December 10, 2004